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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/776,379	02/02/2001	Thomas A. Rhee		8077

26021 7590 09/12/2006

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EXAMINER

PATEL, JAGDISH

ART UNIT PAPER NUMBER

3693

DATE MAILED: 09/12/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No. 09/776,379	Applicant(s) RHEE, THOMAS A.	
	Examiner JAGDISH PATEL	Art Unit 3693	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 21 June 2006.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-35 is/are pending in the application.
- 4a) Of the above claim(s) 2-6 and 9-35 is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1, 7 and 8 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

1. This communication is in response to amendment filed 6/21/06.

Response to Amendment

2. Claim 7 has been amended. Claims 1, 7 and 8 are under consideration and claims 2-6 and 9-35 have been withdrawn from further consideration.

Response to Arguments

3. In response to applicant's argument that the references fail to show certain features of applicant's invention, it is noted that the features upon which applicant relies (i.e., p. 10 of the reply states in part, "...unlike, the Labe reference, the TPS user in accordance with the invention custom tailors asset class factors or investment styles with various screening tools, and presets various rebalancing conditions." and "Securities are chosen initially as candidate securities before final list of securities is chosen and optimalities are configured by the mathematical algorithm in TPS.") are not recited in the rejected claim(s). Although the claims are interpreted in light of the specification, limitations from the specification are not read into the claims. See *In re Van Geuns*, 988 F.2d 1181, 26 USPQ2d 1057 (Fed. Cir. 1993).

4. In response to the applicant's arguments (p. 11, second paragraph) that "TPS computes various forward looking estimates about a security's expected return, its volatility and its covariance with other securities returns. An optimal portfolio is based on these forward looking statistics. Obviously, for each given asset class factor or an investment style, there is at least one

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optimal portfolio to be generated when the current market condition changes. An optimal cash allocation consistent with the investor's risk preference or tolerance is also configured. Neither Lobe nor Wallman nor Ray et al. disclose or suggest this *ex ante* process of portfolio optimization” is not consistent with the recitation of amended claim 7 which states that the optimal portfolio is generated in accordance with “said investment parameters and current market conditions”. In other words, the claim itself does not specify any feature that is discussed in the arguments.

5. The examiner, therefore, maintains the rejection of the presently amended claims as being anticipated by Labe reference.

Claim Rejections - 35 USC § 102

Claims 1, 7 and 8 is rejected under 35 U.S.C. 102(e) as being clearly anticipated by Labe, JR. et al. (US 2002/0091605) (hereafter referred to as Labe).

As per claims 1, 7 and 8, Labe discloses a method of portfolio management comprising:

generating at least one optimal scenario portfolio in accordance with the investment parameters communicated through the Internet (para [0044] ..communication medium ..the Internet, para [0032]..optimal portfolio in accordance with the user's investment profile) and current market conditions and comparing expected returns of said optimal scenario portfolio with expected returns of at least one existing portfolio to provide trade recommendations. ([0052] asset allocation models, [0054] restrict the universe of assets in 36 to a certain class or number of assets, ..the elimination of the lower performing 60% of the assets ..only the highest-quality

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assets are being utilized..) also refer to [0060] ..set of recommended optimal or near-optimal portfolios.)

As per amended claim 7, Labe teaches the step of generating at least one portfolio comprises generating at least one optimal scenario portfolio with said investment parameters and current market conditions (see [0021] “The service provider would also periodically update the data utilized by the invention to ensure that the portfolios generated by the invention reflect recent market and financial conditions and are not outdated. “

Conclusion

5. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

Conclusion

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

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Young et al. (6,393,409) teaches a computerized method for optimizing portfolios of multiple participants. (Refer to Figure 1).

Any inquiry concerning this communication or earlier communications from the examiner should be directed to JAGDISH PATEL whose telephone number is (571) 272-6748.

The examiner can normally be reached on **800AM-630PM Mon-Tue and Thu.**

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Trammel can be reached on (571) 272-6712. The fax phone number for the organization where this application or proceeding is assigned is 517-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).



Jagdish N. Patel

(Primary Examiner, AU 3693)

9/5/06